

INVOICES AND PAYMENT PRACTICES

Payment Schedule

Unless paying in full by the due date, a payment schedule must be issued within **15 business days** (or within the period specified in the contract if shorter).

A payment schedule is a written document that:

- identifies the payment claim (invoice)
- states the amount (if any) to be paid
- includes **ALL reasons** for not paying or paying a lesser amount.

A payment schedule must be given as per the contract or as agreed by both parties (e.g. email, to place of business).

The scheduled amount must still be paid by the due date.

A contract should specify a due date for payment. If the contract does not specify a due date, payment must be made within 10 business days after receiving the payment claim.

Payment Claim (Invoice)

A payment claim is a written document that:

- identifies the work or goods and services provided
- states the amount owed
- requests payment.

A payment claim must be given **on or after** a valid reference date, **only one** can be given per reference date and within **certain timeframes** of when the work was completed.

A payment claim must be given as per the contract or as agreed by both parties (e.g. email, to place of business).

Make sure that you action all invoices that you receive:

Do you agree with the amount claimed? **Pay on time.**

Do you only agree with part of the amount claimed? **Pay** the amount that you agree with by **AND respond with a payment schedule** explaining reasons for withholding payment.

Do you disagree with the full amount claimed? **Respond with a payment schedule** explaining all reasons for withholding payment.

Payment Disputes

A payment dispute may occur if you give a payment claim and:

- you are not paid in full by the due date and don't receive a payment schedule, or
- you receive a payment schedule but don't receive the scheduled amount by the due date, or
- you receive a payment schedule and disagree with the scheduled amount.

What to do if your invoice is not paid

If you give a payment claim and don't receive payment or a response then:

1. Contact the other party
2. Include the amount outstanding in your next invoice
3. Consider your rights to suspend work
4. Consider starting a dispute resolution process.

Your options for resolving a payment dispute include Adjudication, Subcontractors' Charges, QCAT or the Courts to secure payment of the amount owed. Strict timeframes apply for these processes and it's recommended that you seek **legal advice** before commencing.

You can also lodge a Monies Owed Complaint or Notification of Offence to initiate a QBCC investigation. Please note QBCC can only investigate undisputed debts.

Defects and Retentions

If a building contract does not specify a period for release of retention or security, a 12 month defects liability period applies from the date of practical completion.

Contractors are required to give a *Notice of End of Defects Liability Form* to signal the end of the defects liability period. There are specific timeframes for this form.

All parties must release retention amounts (that are not the subject of a dispute) to the contracted party as per the contract. There is a significant penalty (including imprisonment) for a failure to do so.

These changes apply to **new** and **existing** contracts.

Questions

For any adjudication questions, please email the adjudication registry at Registry@qbcc.qld.gov.au or call 139 333.

Please email QLDBuildingPlan@qbcc.qld.gov.au or call 139 333 for any questions on invoices and payment practices.

EXAMPLE INVOICE

1. Identifies the work or goods and services provided 2. States the amount owed 3. Requests payment

3. INVOICE

Invoice Date: Date
 Invoice # Invoice Number

To	Name Company Name ABN ACN (If Required) Address Phone
FROM	Name Company Name ABN ACN (If Required) Address Phone

Contact	Job	Payment Terms	Due Date
	1.	Contract terms or 10 business days after the date of this invoice	

Description	Quantity	Unit Price	GST	Amount
1.				
TOTAL				\$ 2.

3. Please pay the total amount on or before the due date for payment. If you are unable to pay the total amount, please respond with a payment schedule within 15 business days after the date you received this invoice/ payment claim as required under the *Building Industry Fairness (Security of Payment) Act 2017*.